



**Testimony before the
Subcommittee on International Terrorism and
Nonproliferation
United States House of Representatives**

**“The G-8 Global Partnership:
Successes and Shortcomings”**

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A Statement by

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Good afternoon, and thank you for inviting me to testify today on the G-8's non-proliferation initiatives. I'd like to focus my comments on the G-8's Global Partnership Against the Spread of Weapons and Materials of Mass Destruction. The G-8 Gleneagles summit next week marks the three-year anniversary of the Global Partnership, which was launched at the Kananaskis summit in June 2002, with the aim of facilitating greater international efforts to prevent WMD from falling into the hands of terrorists – the number one international security threat after 9/11. Specifically, the Global Partnership sought to raise \$20 billion over 10 years for cooperative projects to secure and dismantle nuclear, biological, and chemical weapons, materials, and their associated know-how. Today's hearing provides an important opportunity to reflect on the successes and shortcomings of the Global Partnership in its first three years.

My comments today are based on the work of an ongoing project on "Strengthening the Global Partnership" that is led by CSIS, with support from former Sen. Sam Nunn's Nuclear Threat Initiative. This project has put together a consortium of 22 research organizations in 17 European, Asian and North American countries to build political and financial support for G-8 efforts to reduce the dangers from nuclear, biological and chemical weapons.

Thus far, the G-8 Global Partnership's report card has been mixed. There are some important success stories. For example, our allies and friends have committed hundreds of millions of dollars to the destruction of chemical weapons and the dismantlement of nuclear submarines – areas of high priority for Russia – and substantial on-the-ground progress has been made in these areas. However, the promise of the Global Partnership has, to date, fallen short. The reality is that not enough funds have been pledged, not enough pledges have been converted to projects, and not enough projects have addressed the core security concern that animates the

Global Partnership: preventing the spread of the world's most dangerous materials to the most dangerous people.

Assessing the performance of Global Partnership donors

Since the launch of the Global Partnership three years ago, G-8 members have expanded the quantity and quality of their threat reduction efforts. As the chart below shows, several donors have made ambitious pledges that represent a genuine expansion of their efforts.

Chart 1: Global Partnership Pledges

Donor	Official 10 year GP Pledge	GP Pledge in USD ¹
Canada	CAN\$1 billion	\$800 million
European Union	€1 billion	\$1.3 billion
France	€750 million	\$971 million
Germany	up to \$1.5 billion	up to \$1.5 billion
Italy	€1 billion	\$1.3 billion
Japan	“a little more than” \$200 million	“a little more than” \$200 million
United Kingdom	\$750 million	\$750 million
United States	\$10 billion	\$10 billion
Russia*	\$2 billion	\$2 billion
Finland	€15 million	\$19 million
Netherlands	€24.1 million	\$31 million
Norway	€100 million	\$129 million
Poland	\$100,000	\$100,000
Czech Republic	\$225,000	\$225,000
Sweden	€10 million and \$20 million	\$33 million
Switzerland	CHF15 million	\$13 million
New Zealand	NZ\$1.2 million	\$870,000
Australia	A\$10 million	\$7.8 million
TOTAL		~\$17.1 billion *~\$19.1 billion including Russia

For instance, the pledges of Germany (up to \$1.5 billion), Italy (€1 billion), and the European Union (€1 billion) are significant sums and, for the most part, represent more

¹ Currency conversion accurate as of May 4, 2005. For more data on the Global Partnership, see our project's website at www.sgppproject.org.

ambitious commitments than their pre-Global Partnership plans. Moreover, non-G8 donors such as Norway have made substantial commitments despite much smaller financial bases.²

But pledges are only promises. The second important metric in measuring the Global Partnership's progress to date is actual programs on the ground. The good news is that, for a number of non-U.S. donors, project activities in Russia and the FSU have accelerated since the 2002 Kananaskis agreement. In particular, the United Kingdom, Germany, and Norway have made substantial progress towards completing major projects in the submarine dismantlement and chemical weapons destruction areas. The Canadians merit special praise: starting with an almost non-existent nonproliferation assistance program in 2002, the Canadians have in only three years completed a legal framework with Russia, stood up an internal bureaucracy, and disbursed funds in a number of project areas. This progress is an example to other donors of what is possible when national leadership and resources are harnessed to their fullest extent.

However, the performance of our G-8 friends has been uneven and, frankly, some donors have underperformed. The list of pledges in Chart 1 shows that the G-8 remains almost \$3 billion short of its \$20 billion goal. Moreover, the pledges among G-8 donors vary significantly. The Japanese, for example, have only committed a little over \$200 million to the Global Partnership. This ranks Japan last among G-8 donors, despite the substantial size of Japan's economy and Japan's status as a global leader in overseas development assistance.

Chart 2 below provides another metric for measuring the performance of donors. It measures the average annual Global Partnership contribution of individual donors against their national wealth. The results show that some donors – the United States, Italy, and Canada, for example – have comparatively high pledges as a percent of their annual gross domestic product while others such as Japan and the UK have contributed far less.

² See Chart 2 for comparisons of Global Partnership pledges as a percent of national wealth.

Chart 2: G-8 Global Partnership Pledges as a percent of national wealth

Donor	Official GP Pledge	GP Pledge in USD	Annual GP pledge as percent of annual GDP³
Russia	\$2 billion	\$2 billion	.0148%
United States	\$10 billion	\$10 billion	.0096%
Italy	€1 billion	\$1.3 billion	.0090%
Canada	CAN\$1 billion	\$800 million	.0087%
Germany	up to \$1.5 billion	up to \$1.5 billion	.0069%
France	€750 million	\$971 million	.0063%
United Kingdom	\$750 million	\$750 million	.0049%
Japan	“a little more than” \$200 million	“a little more than” \$200 million	.0006%

When it comes to turning pledges into on-the-ground projects, there is much room for improvement. Two of the largest contributors, Italy and France, have achieved almost no progress in actual project implementation. In both cases, challenges associated with establishing the legal framework for assistance to Russia have held hundreds of millions of dollars at bay. Three years after the founding of the Global Partnership, these Italy and France continue to confront the same problems: a lack of focused national leadership, sluggish negotiations with recipients, and cumbersome national ratification processes.

As for the United States, since the launch of the Global Partnership, the U.S. has spent approximately \$1 billion annually on cooperative threat reduction, comparable to spending levels since 2000.⁴ The United States’ \$10 billion commitment to the Global Partnership maintains this spending level over the full ten years. On the ground, however, U.S.-funded projects have only kept pace and, for the most part, not accelerated since 2002. This is both surprising and alarming given the fact that, as President Bush has stated on numerous occasions, the nexus between terrorism and WMD is the greatest national security threat we face post-9/11.

³ Annual GP pledge is based on to each donor’s ten-year GP pledge. Annual gross domestic product figures are from 2002 and taken from the CIA World Factbook 2003. The European Union does not have a comparable measure of its “national” wealth and is therefore not included.

⁴ Prior to the founding of the Global Partnership, the U.S. spent about \$7 billion from 1992-2002.

Several factors have contributed to this lack of progress, as will be discussed below, but the bottom line is that the United States has been unable, and at times unwilling, to take the bold steps necessary to bring its threat reduction actions in line with its rhetoric. Given the reality and urgency of the threat of WMD terrorism on U.S. soil, the failure to greatly accelerate efforts to secure and eliminate WMD in Russia, the former Soviet Union and elsewhere may ultimately come to be seen as one of the greatest policy failures of our time.

Obstacles to faster progress in the Global Partnership

The biggest obstacles to faster progress in the Global Partnership can be found in the gap between money promised and money spent. For every single Global Partnership donor country, one or more of the following problems have obstructed progress: negotiating legal frameworks for cooperation, disputes over liability, and access to facilities.

1. Negotiating legal frameworks for cooperation. The Global Partnership addresses areas of extreme sensitivity for both donors and recipients. This burden of sensitivity has made the negotiation of legal frameworks for cooperation a key pacing factor. New donors and donors initiating work in new project areas must negotiate legal agreements largely from whole cloth. Even donors with prior experience, such as the United States in the nuclear security area, must renew agreements on a regular basis.

Several factors contribute to the sluggish negotiation process for legal frameworks. One important chokepoint has been the Russian interagency approval process and bureaucratic reorganization. In the last year and a half, Russia engaged in comprehensive government reorganization that complicated negotiations with foreign donors interested in Global Partnership projects. Moreover, despite the reorganization, the Russian bureaucracy continues to have

difficulty securing rapid interagency approval of draft agreements. Add to this the fact that Russia is receiving assistance from over a dozen foreign governments/organizations and it is no wonder negotiating legal frameworks is often a long pole in the tent.

2. Liability disputes. A long-running dispute between the U.S. and Russia over the terms of liability for nuclear-related projects has also slowed progress in the Global Partnership to date. Though the dispute has been bilateral in nature, it has also brought work on multilateral plutonium disposition – a \$2 billion initiative – to a virtual halt. Since 2003, the U.S. and Russia have been unable to resolve a dispute over who would hold legal responsibility in the event of an accident during work on the plutonium disposition project. While the U.S. has in the past preferred complete indemnity for U.S. personnel, Russia has insisted that instances of premeditated action by a foreign government or its contractor should be an exception. European donors have largely agreed to the terms Russia prefers. Recent statements by high-level U.S. officials indicate the U.S. and Russia may be close to reaching a resolution to the dispute, perhaps even in time for next week's G-8 summit.

3. Access procedures. Another key obstacle to implementing projects has been establishing satisfactory access measures for foreign government personnel. Donor governments rightly insist that recipient countries grant program managers and auditors access to work sites for which funds have been provided. In a number of instances – American aid for securing nuclear warheads and materials; Japanese aid for dismantling submarines – inability to reconcile Russia's sensitivities and donor country needs has slowed progress.

Beyond these implementation obstacles, the Global Partnership has lacked sufficient focus on the most urgent threat areas. Russia has understandably expressed its own preferences as to where foreign assistance should be directed – so far, it has asked donors to concentrate their

funds on the two Russian priority areas of chemical weapons destruction and dismantlement of general-purpose nuclear submarines. Unfortunately, focus on areas such as submarine dismantlement may be coming at the expense of cooperative work on more urgent security threats, such as securing dangerous biological pathogens and completing the effort to lock down all civilian and military stocks of weapons-useable nuclear material. While a kind of “division of labor” between American efforts in more sensitive areas of cooperation and European/Asian efforts on submarines and chemical weapons makes some sense, I believe our Global Partnership friends should be much more active in the areas that most directly contribute to the world’s security: securing the most dangerous sources of materials that could be used for terrorist purposes.

Recommended actions to improve the performance of the Global Partnership

Global Partnership donors and Russia must do more to resolve the implementation obstacles that have long plagued efforts to cooperatively secure and dismantle weapons of mass destruction. To accelerate the process for negotiating legal frameworks, Russia must improve its internal coordination process for securing interagency approval. Donor countries must demonstrate greater leadership in securing national ratification of the agreements once negotiations are complete, and President Putin himself must use his substantial leverage in the Russian Duma to secure ratification of Global Partnership-related agreements on a priority basis.

The long-standing dispute between Moscow and Washington over liability must also be resolved. We may hear good news on this front as soon as next week. However, this will mark only the first step. Once liability is out of the way, foreign donors who have up until now been unable to expend promised funds for plutonium disposition must move forward aggressively.

Even more importantly, the U.S. and Russia themselves must harness the positive momentum generated by a resolution of the liability issue to tackle another daunting challenge: negotiations over the extension of the Cooperative Threat Reduction umbrella agreement, the bedrock of U.S./Russia cooperation which is set to expire in June 2006.

In addition, donor countries and Russia must continue to explore methods of granting access for foreign nationals. Donor countries understandably insist that program managers be allowed access to assess, track, and verify project funds expended in Russia. Russia is understandably sensitive about the presence of these foreign nationals on extremely sensitive nuclear-related sites. However, both sides must work to develop innovative procedures to address both sides' legitimate concerns. For the U.S., especially, completing the job of securing nuclear materials and warheads – only 46% have received some sort of security upgrade -- will largely depend on whether agreeable terms of access can be reached for some of the most sensitive facilities in the Russian complex.

In addition, in order for the Global Partnership to fulfill its promise of helping to secure and dismantle *all* vulnerable stocks of materials and weapons of mass destruction, donors must meet and exceed the \$20 billion goal set out at Kananaskis. The current tally – a little over \$17 billion – is insufficient, and \$20 billion should be considered a floor, not a ceiling. Funds beyond the \$20 billion level will be necessary to complete the jobs in the FSU alone. Furthermore, G-8 members must do more to make the Global Partnership truly global. The focus of the Global Partnership has initially, and appropriately, been in Russia and the former Soviet Union. However, as recent U.S. projects in Libya, Iraq, and Albania have illustrated, the threat of vulnerable weapons and materials of mass destruction is truly global. The Global

Partnership must continue expanding its donor base and recipient pool to accommodate areas that need assistance wherever they arise.

Finally, the United States and its G-8 partners need to refocus their threat reduction efforts on addressing the areas of greatest threat. Specifically:

1. *Lock-down all vulnerable nuclear materials worldwide.* Our top priority must be to secure all vulnerable stocks of weapons-useable nuclear material on a global basis. We should expand DOE's Global Threat Reduction Initiative to include participation by our European partners and accelerate its pace of materials repatriation. We should also take steps to resolve outstanding access issues with our Russian partners to clear the way for completion of security upgrades at all Russian warhead and materials facilities.
2. *Secure dangerous biological pathogens.* Our second most urgent priority must be to identify and secure all vulnerable sources of biological pathogens that could be used in a bioterror attack. Our efforts with Russia to date have barely scratched the surface, and we along with our G-8 partners must continue to urge Russia and the other former Soviet states to accept cooperative security upgrades at civilian and military facilities storing these dangerous biological agents.
3. *Complete chemical demilitarization.* We and our G-8 partners must work quickly to complete chemical weapons destruction facilities in Russia. In particular, donors who have played a leadership role so far – Germany, UK, and the United States – should organize international support for construction of additional destruction facilities.
4. *Expand scientist redirection efforts.* The United States and its G-8 partners should redouble their financial support for scientist redirection efforts both in the former Soviet Union and globally. The U.S. has taken important steps to globalize its scientist

redirection efforts in the last two years, funding projects in both Iraq and Libya.

However, the United States must be careful that resource constraints do not force a trade off between its FSU programs and new initiatives in other regions of the world. We need to expand the donor base and the recipient base for these critical programs.

I'd like to leave you with the following thought: The day after a nuclear, chemical or biological attack on United States, what will we wish we would have done to prevent it? And why aren't we doing those things now?

Strengthening the Global Partnership in the ways that I have outlined can go a long way to preventing our worst nightmare from occurring. But we need to do more, and faster.

Thank you again for the opportunity to appear before today's session. I welcome any questions you may have.